



March 17, 2020

VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29211

RE: Dominion Energy South Carolina, Inc.'s (f/k/a South Carolina Electric & Gas Company's) Quarterly Financial Report
Docket No. 2006-286-EG

(This filing does not involve any change to the retail electric base rates of Dominion Energy South Carolina, Inc. or its retail natural gas base rates)

Dear Ms. Boyd:

By Order No. 17,648 dated May 30, 1974, the Public Service Commission of South Carolina ("Commission") requires, among other things, that Dominion Energy South Carolina, Inc. ("DESC" or "Company") "[f]ile with this Commission quarterly reports commencing June 30, 1974 showing: . . . (c) Earnings per share of Common Stock . . . (e) Debt Coverage Ratio of Earnings to Fixed Charges." See p.26, ¶8. In compliance with the Commission's order, DESC files in the above-referenced docket quarterly reports for its retail electric and natural gas operations, and the Company's quarterly reports contain information regarding its earnings per share of common stock as well as its debt coverage ratio of earnings to fixed charges.¹ To calculate DESC's earnings per share amount, the Company, prior to the merger between Dominion Energy, Inc. ("Dominion Energy") and SCANA Corporation ("SCANA"), divided its earnings by the weighted average number of shares of outstanding common stock of SCANA. This calculation provided an accurate representation of DESC's earnings per share because DESC comprised the majority of SCANA's consolidated operations.

¹ Please see Exhibit C to DESC's quarterly reports entitled "Dominion Energy South Carolina, Inc. Earnings Per Share" and Exhibit D to DESC's quarterly reports entitled "Dominion Energy South Carolina, Inc. Ratio of Earnings to Fixed Charges."

(Continued . . .)

By Order No. 2018-804 dated December 21, 2018, the Commission approved the merger between Dominion Energy and SCANA. As a result of the merger, each share of SCANA common stock was converted into 0.6690 share of Dominion Energy common stock. Additionally, DESC now comprises only one portion of Dominion Energy's consolidated operations and does not represent the majority of Dominion Energy's operations. Therefore, it is no longer appropriate to calculate DESC's earnings per share in the same manner that DESC calculated earnings per share prior to the merger between Dominion Energy and SCANA. To do so, could lead to the reporting of information that is not meaningful on a DESC stand-alone basis and may confuse users of the Company's quarterly report.

With respect to debt coverage ratio of earnings to fixed charges, Regulation S-K required issuers that register debt securities to disclose the historical and pro forma ratios of earnings to fixed charges and issuers that register preference equity securities to disclose the historical and pro forma ratio of combined fixed charges and preference dividends to earnings. Regulation S-K also required the filing of an exhibit setting forth the computation of any ratio of earnings to fixed charges. In August 2018, the United States Securities and Exchange Commission ("SEC") adopted amendments to Regulation S-K which eliminated these requirements. Accordingly, Dominion Energy no longer includes its earnings to fixed charges ratio in its SEC filings.

Based upon the foregoing, DESC respectfully requests that the Commission issue an order eliminating the 1974 requirements that DESC include within its quarterly reports earnings per share of common stock and its debt coverage ratio of earnings to fixed charges.

By copy of this letter, we are notifying counsel for the South Carolina Office of Regulatory Staff of the Company's request.

If you have any questions or concerns, please do not hesitate to contact us.

Very truly yours,



K. Chad Burgess

KCB/kms

cc: Jeffrey M. Nelson, Esquire
(via electronic mail only)